

# **Tangipahoa Parish Sheriff**

## **FINANCIAL REPORT**

**JUNE 30, 2011**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **OCT 12 2011**

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**INDEPENDENT AUDITORS' REPORT**

Honorable Daniel Edwards  
Tangipahoa Parish Sheriff  
Amite, Louisiana

We have audited the accompanying financial statements of the governmental activities and each major fund of the Tangipahoa Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2011, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Tangipahoa Parish Sheriff's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Tangipahoa Parish Sheriff as of June 30, 2011, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 K Fund Equity of Fund Financial Statements, the Sheriff adopted the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions for the fiscal year ended June 30, 2011.

In accordance with *Government Auditing Standards*, we have also issued a report dated September 21, 2011 on our consideration of Tangipahoa Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 9 and 29 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to be the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's financial statements as a whole. The individual financial statements of agency funds presented on pages 30-31 are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of cash on hand in tax collector account, schedule of taxes collected, and schedule of uncollected taxes presented on pages 36-38 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Prasanth Kumar & Mathur*

September 21, 2011

**TANGIPAHOA PARISH SHERIFF**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**June 30, 2011**

This section of Tangipahoa Parish Sheriff's annual financial report presents our discussion and analysis of the Sheriff's financial performance during the fiscal year that ended on June 30, 2011. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available).

**FINANCIAL HIGHLIGHTS**

- The Sheriff's total net assets increased approximately \$1.3 million over the course of this year's operations.
- During the year, the Sheriff's expenses were \$1.3 million less than the \$19.2 million generated in ad valorem taxes, charges for services, and operating grants for governmental programs.
- Expenses for the year were \$17.9 million, an increase of approximately \$60,000.
- The general fund reported an increase in fund balance this year of approximately \$896,900.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of four parts—management's discussion and analysis (this section), the financial statements, and required supplementary information, and other supplemental information. The financial statements include two kinds of statements that present different views of the Sheriff:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Sheriff's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Sheriff's government, reporting the Sheriff's operations in more detail than the government-wide statements.
  - The governmental funds statements tell how general government services like public safety were financed in the short term as well as what remains for future spending.
  - Fiduciary fund statements provide information about the financial relationships in which the Sheriff acts solely as agent for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the Sheriff's financial statements, including the portion of the Sheriff's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

**TANGIPAHOA PARISH SHERIFF**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2011**

	<b>Government-wide Statements</b>	<b>Governmental Funds</b>	<b>Fiduciary Funds</b>
<b>Scope</b>	Entire Sheriff government (except fiduciary funds)	The activities of the Sheriff that are not proprietary or fiduciary, such as public safety	Instances in which the Sheriff is the trustee or agent for someone else's resources
<b>Required financial statements</b>	<ul style="list-style-type: none"> <li>• Statement of net assets</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of revenues, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statements of fiduciary net assets</li> <li>• Statements of changes in fiduciary net assets</li> </ul>
<b>Accounting basis and measurements focus</b>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
<b>Type of asset/liability information</b>	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both short-term and long-term; the Sheriff's funds do not currently contain capital assets, although they can
<b>Type of inflow/outflow information</b>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payments is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid.

## **TANGIPAHOA PARISH SHERIFF**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2011**

#### **Government-wide Statements**

The government-wide statements report information about the Sheriff as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Sheriff's net assets and how they have changed. Net assets—the difference between the Sheriff's assets and liabilities—is one way to measure the Sheriff's financial health, or position.

- Over time, increases or decreases in the Sheriff's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Sheriff you need to consider additional non-financial factors such as changes in the Sheriff's property tax base and growth of Tangipahoa Parish.

The government-wide financial statements of the Sheriff include:

- Governmental activities—most of the Sheriff's basic services are included here, such as police and general administration. Ad valorem taxes, state and federal grants, and fees, charges, and commissions for services finance most of these activities.

#### **Fund Financial Statements**

The fund financial statements provide more detailed information about the Sheriff's most significant funds—not the Sheriff as a whole. Funds are accounting devices that the Sheriff uses to keep track of specific sources of funding and spending for particular purposes.



## **TANGIPAHOA PARISH SHERIFF**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2011**

The Sheriff has two kinds of funds:

- **Governmental funds**—Most of the Sheriff's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Sheriff's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- **Fiduciary funds**—These funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from these funds are made to various parish agencies, and litigants in suits, in the manner prescribed by law. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. We exclude these activities from the Sheriff's government-wide financial statements because the Sheriff cannot use these assets to finance its operations.

#### **FINANCIAL ANALYSIS OF THE SHERIFF AS A WHOLE**

**Net assets.** The Sheriff's net assets increased between fiscal years 2011 and 2010 to approximately \$8.6 million or 18.4%. (See Table A-1.)

**Table A-1**  
**Sheriff's Net Assets**

	Governmental Activities	
	2011	2010
Current and other assets	\$8,213,825	\$7,207,172
Capital assets	1,794,052	1,254,146
<b>Total assets</b>	<b>10,007,877</b>	<b>8,461,318</b>
Current liabilities	1,363,493	1,157,941
<b>Total liabilities</b>	<b>1,363,493</b>	<b>1,157,941</b>
Net assets		
Invested in capital assets, net of related debt	1,470,999	1,003,356
Restricted nonexpendable	102,553	-
Unrestricted	7,070,832	6,300,021
<b>Total net assets</b>	<b>\$8,644,384</b>	<b>\$7,303,377</b>

**TANGIPAHOA PARISH SHERIFF**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2011**

**Changes in net assets.** The Sheriff's total revenues decreased 0.2 percent. (See Table A-2.) Approximately 45 percent of the Sheriff's revenue comes from ad valorem tax collections from Tangipahoa Parish. Another 2 percent comes from state and federal programs. An additional 41 percent of the Sheriff's revenue comes from charges for services including prisoner housing and commissions. The remaining 12 percent is comprised of miscellaneous fees and other intergovernmental revenue.

The total cost of all programs and services increased approximately \$60,000. The Sheriff's expenses cover all services performed by its office.

**Governmental Activities**

Revenues for the Sheriff's governmental activities decreased 0.2 percent to \$19.2 million while total expenses increased 0.4 percent to \$17.9 million.

**Table A-2**  
**Changes in Sheriff's Net Assets**

	<b>Governmental Activities</b>	
	<b>2011</b>	<b>2010</b>
<b>Revenues</b>		
Program revenues		
Charges for services	\$7,895,626	\$7,943,596
Federal grants	404,270	585,566
State grants	19,010	8,250
General revenues		
Taxes	8,687,238	8,500,709
Contracted services	633,993	669,064
Miscellaneous	214,855	252,943
Intergovernmental	1,364,105	1,302,642
Interest	19,375	11,384
<b>Total revenues</b>	<b>19,238,472</b>	<b>19,274,154</b>
<b>Expenses</b>		
Public safety	17,889,533	17,816,335
Interest	7,932	21,152
<b>Total expenses</b>	<b>17,897,465</b>	<b>17,837,487</b>
<b>Increase in net assets</b>	<b>\$ 1,341,007</b>	<b>\$ 1,436,667</b>

**TANGIPAHOA PARISH SHERIFF**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2011**

**FINANCIAL ANALYSIS OF THE SHERIFF'S FUNDS**

As the Sheriff completed the year, its governmental funds reported a fund balance of \$7.2 million, an increase from last year of approximately \$873,400. The primary reason for the general fund's surplus increase is due to the increase in ad valorem tax revenue. The fund balance is considered adequate for the Sheriff's current needs.

**General Fund Budgetary Highlights**

Over the course of the year, the Sheriff made amendments to the general fund budget. These budget amendments reflect increases in both revenues and expenses from the current budget of approximately \$679,000 and \$881,000; respectively.

**CAPITAL ASSETS**

At the end of 2011, the Sheriff had invested \$1,794,052 in capital assets. (See Table A-3.)

**Table A-3**  
**Sheriff's Capital Assets**  
(Net of depreciation, where applicable)

	<b>Governmental Activities</b>	
	<b>2011</b>	<b>2010</b>
Land	\$ 65,343	\$ 65,343
Buildings	196,311	163,708
DP Equipment	316,295	134,110
LE Equipment	284,906	305,780
Office Equipment	157,852	210,207
Vehicles	773,345	374,998
<b>Total</b>	<b>\$1,794,052</b>	<b>\$1,254,146</b>

This year's major capital assets additions include:

- Sheriff vehicles costing approximately \$717,800.
- Purchase of data processing software of approximately \$137,800.

**TANGIPAHOA PARISH SHERIFF**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2011**

**CAPITAL ASSETS (continued)**

This year's major capital assets deletions include:

- The disposal of thirty-seven vehicles totaling approximately \$311,400

The amounts budgeted for capital outlay for the 2011-2012 fiscal year total \$400,000.

**LONG-TERM DEBT**

At June 30, 2011, the Sheriff had the following long-term debt outstanding at year end.

	<b>Governmental Activities</b>	
	<b>2011</b>	<b>2010</b>
Capital lease obligations	<u>\$323,053</u>	<u>\$250,790</u>
<b>Total</b>	<u><b>\$323,053</b></u>	<u><b>\$250,790</b></u>

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Sheriff is dependent on ad valorem taxes and prisoner housing reimbursement for 74 percent of its revenues. The economy is not expected to generate significant growth. The Sheriff's 2011-2012 budget reflects ad valorem tax revenue to increase approximately 3% to \$8.9 million and prisoner housing revenues to remain consistent at approximately \$4.5 million. The other revenues and expenditures are expected to be consistent with the amounts from the year ended June 30, 2011. Budgetary fund balance is estimated at approximately \$7.0 million as of June 30, 2012.

**CONTACTING THE SHERIFF'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Sheriff's finances and to demonstrate the Sheriff's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Tangipahoa Parish Sheriff's Office, 15475 Club Deluxe Road, Hammond, LA 70403.

**TANGIPAHOA PARISH SHERIFF**  
**Amite, Louisiana**

**STATEMENT OF NET ASSETS**  
**June 30, 2011**

**ASSETS**

Cash and cash equivalents	\$ 7,247,479
Accounts receivable	537,920
Grant receivable	63,203
Due from other funds	215,897
Due from other governments	46,773
Prepaid expenses	102,553
Capital assets, net	1,794,052
Total assets	<u>10,007,877</u>

**LIABILITIES**

Accounts payable	\$ 294,694
Accrued salaries and wages	539,107
Accrued liabilities	177,544
Due to other funds	27,774
Due to other governments	1,321
Long term liabilities	
Due within one year	145,487
Due in more than one year	177,566
Total liabilities	<u>1,363,493</u>

**NET ASSETS**

Invested in capital assets, net of related debt	1,470,999
Restricted nonexpendable	102,553
Unrestricted	7,070,832
Total net assets	<u>\$ 8,644,384</u>

The accompanying notes are an integral part of this statement.

**TANGIPAHOA PARISH SHERIFF**  
**Amite, Louisiana**

**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2011**

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets</u>
		<u>Fees, Fines, and Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental Activities:				
Public safety	\$ 17,889,533	\$ 7,895,626	\$ 423,280	\$ (9,570,627)
Interest	<u>7,932</u>	<u>-</u>	<u>-</u>	<u>(7,932)</u>
Total governmental activities	<u>\$ 17,897,465</u>	<u>\$ 7,895,626</u>	<u>\$ 423,280</u>	<u>\$ (9,578,559)</u>

General revenues:

Taxes	
Property taxes	\$ 8,687,238
State revenue sharing	595,482
State supplemental pay	768,623
Investment earnings	19,375
Contracted services	633,993
Miscellaneous	129,971
Donations	1,475
Seized assets	83,409
Total general revenues	<u>10,919,566</u>
Change in net assets	1,341,007
Net assets - beginning	7,303,377
Net assets - ending	<u>\$ 8,644,384</u>

The accompanying notes are an integral part of this statement.

**TANGIPAHOA PARISH SHERIFF**  
**Amite, Louisiana**  
**BALANCE SHEET - ALL GOVERNMENTAL FUND TYPES**  
**JUNE 30, 2011**

	General Fund	DARE Fund	Tri-Parish Fund	Total Governmental Funds
<b><u>ASSETS</u></b>				
Cash and cash equivalents	\$ 7,069,972	\$ 33,180	\$ 144,327	\$ 7,247,479
Accounts receivable	537,920	-	-	537,920
Grants receivable	63,203	-	-	63,203
Due from other funds	215,897	-	-	215,897
Due from other governments	-	-	46,773	46,773
Prepaid expenses	102,553	-	-	102,553
<b>TOTAL ASSETS</b>	<b>\$ 7,989,545</b>	<b>\$ 33,180</b>	<b>\$ 191,100</b>	<b>\$ 8,213,825</b>
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ 294,694	\$ -	\$ -	\$ 294,694
Accrued salaries and wages	539,107	-	-	539,107
Accrued liabilities	172,263	-	5,281	177,544
Due to other funds	-	27,774	-	27,774
Due to other governments	1,321	-	-	1,321
<b>TOTAL LIABILITIES</b>	<b>1,007,385</b>	<b>27,774</b>	<b>5,281</b>	<b>1,040,440</b>
<b><u>FUND BALANCE</u></b>				
Non-spendable	102,553	-	-	102,553
Unassigned	6,879,607	5,406	185,819	7,070,832
<b>TOTAL FUND BALANCE</b>	<b>6,982,160</b>	<b>5,406</b>	<b>185,819</b>	<b>7,173,385</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 7,989,545</b>	<b>\$ 33,180</b>	<b>\$ 191,100</b>	<b>\$ 8,213,825</b>

The accompanying notes are an integral part of this statement.

**TANGIPAHOA PARISH SHERIFF**  
**Amite, Louisiana**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET ASSETS**  
**JUNE 30, 2011**

Fund balances - total governmental funds \$ 7,173,385

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not current financial resources and, therefore are not reported in the governmental funds

Capital assets, cost	6,649,688	
Capital assets, accumulated depreciation	<u>(4,855,636)</u>	1,794,052

Long term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds

Capital lease payable	<u>(323,053)</u>
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Net assets of governmental activities	<u><u>\$ 8,644,384</u></u>
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The accompanying notes are an integral part of this statement.



**TANGIPAHOA PARISH SHERIFF****Amite, Louisiana**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES  
YEAR ENDED JUNE 30, 2011**

	General Fund	DARE Fund	Tri-Parish Fund	Total
<b>REVENUES</b>				
Taxes - ad valorem	\$ 8,687,238	\$ -	\$ -	\$ 8,687,238
Intergovernmental:				
Federal grants	404,270	-	-	404,270
State grants	19,010	-	-	19,010
State revenue sharing	595,482	-	-	595,482
State supplemental pay	768,623	-	-	768,623
Fees, charges, & commissions:				
Fines and forfeitures	758,343	-	-	758,343
Civil and court fees	1,408,592	-	-	1,408,592
Prisoner housing and reimbursements	5,444,958	-	-	5,444,958
Commissions from tax collector	209,029	-	-	209,029
Pay phone commissions	74,704	-	-	74,704
Contracted services	633,993	-	-	633,993
Interest earned	18,988	67	320	19,375
Seized assets	61,681	-	21,728	83,409
Donations	-	1,475	-	1,475
Miscellaneous	78,924	-	-	78,924
<b>Total Revenues</b>	<b>19,163,835</b>	<b>1,542</b>	<b>22,048</b>	<b>19,187,425</b>
<b>EXPENDITURES</b>				
Public safety:				
Salaries	9,428,135	-	-	9,428,135
Payroll taxes	166,253	-	-	166,253
Retirement contributions	1,103,998	-	-	1,103,998
Employee benefits	1,654,671	-	-	1,654,671
Office expenditures	488,305	-	243	488,548
Insurance	372,662	-	-	372,662
Law enforcement	669,617	-	23,583	693,200
Automobile	1,300,781	-	-	1,300,781
Professional services	497,175	-	-	497,175
Telephone and utilities	366,359	-	-	366,359
Grant expenditures	31,407	-	-	31,407
Miscellaneous	82,735	-	-	82,735
Prisoner/jail expenditures	1,026,515	-	-	1,026,515
DARE expenditures	19,238	18,828	-	38,066
Capital outlay	1,174,468	-	4,466	1,178,934
Debt service:				
Interest	7,932	-	-	7,932
Capital lease expense	315,145	-	-	315,145
<b>Total Expenditures</b>	<b>18,705,396</b>	<b>18,828</b>	<b>28,292</b>	<b>18,752,516</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>458,439</b>	<b>(17,286)</b>	<b>(6,244)</b>	<b>434,909</b>
<b>OTHER FINANCING SOURCES</b>				
Proceeds from capital leases	387,408	-	-	387,408
Sale of capital assets	51,047	-	-	51,047
<b>Total other financing sources</b>	<b>438,455</b>	<b>-</b>	<b>-</b>	<b>438,455</b>
<b>Net change in fund balance</b>	<b>896,894</b>	<b>(17,286)</b>	<b>(6,244)</b>	<b>873,364</b>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<b>6,085,266</b>	<b>22,692</b>	<b>192,063</b>	<b>6,300,021</b>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 6,982,160</b>	<b>\$ 5,406</b>	<b>\$ 185,819</b>	<b>\$ 7,173,385</b>

The accompanying notes are an integral part of this statement.

**TANGIPAHOA PARISH SHERIFF**  
**Amite, Louisiana**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2011**

Net change in fund balances - total governmental funds \$ 873,364

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	1,176,591	
Depreciation expense	(629,841)	
Loss on sale of capital assets	<u>(6,844)</u>	539,906

Capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which proceeds exceeded payments.

Proceeds from capital lease	(387,408)	
Payments on capital lease	<u>315,145</u>	(72,263)

Change in net assets of governmental activities	<u><u>\$ 1,341,007</u></u>
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The accompanying notes are an integral part of this statement.

**TANGIPAHOA PARISH SHERIFF**  
**AMITE, LOUISIANA**

**STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS**

**June 30, 2011**

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 2,396,841
<b>Total Assets</b>	<b><u>\$ 2,396,841</u></b>
 <b>LIABILITIES</b>	
Due to other funds	\$ 188,123
Due to inmates	406,073
Due to others	<u>1,802,645</u>
<b>Total Liabilities</b>	<b><u>\$ 2,396,841</u></b>

The accompanying notes are an integral part of this statement.

**TANGIPAHOA PARISH SHERIFF**  
**Amite, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**

**INTRODUCTION**

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Sheriff serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The Sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

As the chief law enforcement officer of the parish, the Sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of the parish. The Sheriff provides protection to the residents of the parish through on-site patrols and investigations and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. In addition, when requested, the Sheriff provides assistance to other law enforcement agencies within the parish.

As the ex-officio tax collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes, parish occupational licenses, state revenue sharing funds, and fines, costs, and bond forfeitures imposed by the district court.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION, BASIS OF ACCOUNTING**

**BASIS OF PRESENTATION**

The accompanying financial statements of the Tangipahoa Parish Sheriff have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS:**

The statement of net assets and the statement of activities display information about the primary government (the Sheriff). These statements include the financial activities of the overall government, except for fiduciary activities. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**TANGIPAHOA PARISH SHERIFF**  
**Amite, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**A. BASIS OF PRESENTATION, BASIS OF ACCOUNTING (continued)**

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Sheriff's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**FUND FINANCIAL STATEMENTS:**

The fund financial statements provide information about the Sheriff's funds, including its fiduciary funds. Separate statements for each fund category- governmental and fiduciary- are presented. The emphasis of fund financial statements is on major governmental funds.

The Sheriff reports the following major governmental funds:

**General Fund**

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Sheriff's office and accounts for the operations of the Sheriff's office. The Sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district. Other sources of revenue include commissions, state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance, and maintenance of prisoners, et cetera. General operating expenditures are paid from this fund.

**Special Revenue Funds**

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes.

Additionally, the Sheriff reports the following fund types:

**Fiduciary Funds**

Fiduciary fund reporting focuses on net assets and changes in net assets. The only funds accounted for in this category are agency funds. The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from these funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**TANGIPAHOA PARISH SHERIFF**  
**Amite, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. REPORTING ENTITY**

GASB Statement 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Sheriff is considered a primary government, since it is a special purpose government, the Sheriff is elected, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Sheriff may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The Sheriff also has no component units, defined by GASB Statement 14 as other legally separate organizations for which the Sheriff is financially accountable. There are no other primary governments with which the Sheriff has a significant relationship.

**C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS**

The Governmental Wide Financial Statements (GWFS) and fiduciary fund statements are reported using the economic resources measurement focus. The government wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non exchange transactions, in which the Sheriff gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Sheriff considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, franchise taxes, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized when the obligations are expected to liquidate with expendable available financial resources. General capital asset acquisitions are reported as expenditures in governmental funds.

**Revenues**

Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

**TANGIPAHOA PARISH SHERIFF**  
**Amite, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS (continued)**

**Revenues (continued)**

Intergovernmental revenues and fees, charges and commissions for services are recorded when the Sheriff is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

**Expenditures**

The Sheriff's primary expenditures include salaries, which are recorded when the liability is incurred. Capital expenditures and purchases of various operating supplies are recorded as expenditures at the time of purchase.

**D. BUDGET PRACTICES**

The proposed budget for the year ended June 30, 2011, was made available for public inspection and comments from taxpayers at the Sheriff's office during June 2010. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal 10 days prior to the public hearing, which was held at the Sheriff's office on June 2010, for comments from taxpayers. The budget is legally adopted and amended, as necessary, by the Sheriff.

All expenditure appropriations lapse at year end. Unexpended appropriations and any excess of revenues over expenditures are carried forward to the subsequent year as beginning fund balance.

Formal budget integration (within the accounting records) is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

**E. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposit accounts and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and other investments with original maturities of 90 days or less. Under state law, the Sheriff may deposit funds in demand deposit accounts, interest-bearing demand deposit accounts, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

# **TANGIPAHOA PARISH SHERIFF**

**Amite, Louisiana**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **F. CAPITAL ASSETS**

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated fixed assets are recorded at their fair value at the date of donation. The Sheriff maintains a threshold level of \$1,000 or more for capitalizing assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<b><u>Asset Class</u></b>	<b><u>Estimated Useful Lives</u></b>
Buildings	30 years
Building Improvements	20 years
Computer Equipment	3 years
Office Furniture	10 years
Other Machinery and Equipment	5 years
Vehicles	3 years

#### **G. COMPENSATED ABSENCES**

Effective July 1, 2004, the Sheriff has the following policy relating to vacation and sick leave:

- a. All full-time employees who have not yet attained his/her fifth anniversary of uninterrupted full time employment with the Sheriff's Office by the end of the preceding fiscal year, shall earn 3.25 hours of each compensated leave for each 14-day pay period of employment.
- b. All full time employees who have attained his/her fifth year anniversary of uninterrupted full time employment with the Sheriff's Office by the end of the preceding fiscal year, shall earn 4.75 hours of each compensated leave for each 14-day pay period of employment.
- c. Employees on leave without pay for more than 50% of pay period, with the exception of approved mandatory military reserve duty, will not earn any compensated leave for that pay period.
- d. Leave time that is converted to sick time shall be limited to 360 hours. Any time in Excess of 360 shall be stricken from the Sheriff's Office leave record.



**TANGIPAHOA PARISH SHERIFF**  
**Amite, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**G. COMPENSATED ABSENCES (continued)**

An employee will be allowed to carry over 120 hour of annual leave into the next fiscal year. Any annual leave in excess of 120 hours will convert to sick time.

Compensated leave will accrue to the employee bank on a pay period basis.

The Sheriff's leave policy does not provide for the vesting or compensation of leave. Due to this, no liability for accrued leave has been recorded for the fiscal year ended June 30, 2011.

**H. ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**I. INTERFUND ACTIVITY**

Interfund activities between governmental funds and fiduciary funds remain as due to/due from on the government wide financial statements.

**J. RESTRICTED NET ASSETS**

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net assets use either:

Externally imposed by creditors (such as debt covenants), grants, contributors, laws, or regulations of other governments; or

Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

**TANGIPAHOA PARISH SHERIFF**  
**Amite, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**K. FUND EQUITY OF FUND FINANCIAL STATEMENTS**

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

Nonspendable – represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – represents balances where constraints have been established by parties outside the Sheriff's office or imposed by law through constitutional provisions or enabling legislation.

Committed – represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Sheriff's highest level of decision-making authority.

Assigned – represents balances that are constrained by the government's intent to be used for specific purposes, but are not restricted nor committed.

Unassigned – represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Sheriff's office reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned and unassigned amounts are available, the Sheriff's office reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

**2. AD VALOREM TAXES**

The Sheriff is the ex-officio tax collector of the Parish and is responsible for the collection and distribution of ad valorem property taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1, of each year. Taxes are levied in October and billed to the taxpayers in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Tangipahoa Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's and legislative pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2011, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 17.81 mills on property with assessed valuations totaling \$490,813,260.

**TANGIPAHOA PARISH SHERIFF**  
**Amite, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. AD VALOREM TAXES (continued)**

The following is a summary of authorized and levied (tax rate per \$1,000 assessed value) ad valorem taxes.

	Authorized Millage	Levied Millage	Expiration Date
Law Enforcement District (Maintenance)	7.81	7.81	n/a
Law Enforcement District (Operational)	10.00	10.00	2011

**3. CASH AND CASH EQUIVALENTS**

At June 30, 2011, the sheriff has unrestricted cash and cash equivalents (book balances) as follows:

Governmental funds:	
Petty cash	\$ 2,829
Interest-bearing demand deposits	4,488,819
Interest-bearing time deposits	2,755,831
Total governmental funds	<u>\$ 7,247,479</u>
Fiduciary funds:	
Interest-bearing demand deposits	<u>\$ 2,396,841</u>
Total fiduciary funds	<u>\$ 2,396,841</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank.

**4. CUSTODIAL CREDIT RISK**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Sheriff does not have a policy for custodial credit risk. At June 30, 2011, the Sheriff has \$10,306,487 in deposits (collected) bank balance. The deposits were secured from risk by federal deposit insurance and pledged securities. As of June 30, 2011, the government's bank balance was not exposed to custodial credit risk.

**5. LINE OF CREDIT**

In October 2010, the Sheriff's office obtained a \$2 million line of credit from a local bank secured by all revenues accruing to the General Fund. The interest rate on the line of credit was equal to 6.0 percent. There was no activity during the current fiscal year, and as of June 30, 2011, the line of credit had a zero balance.

**TANGIPAHOA PARISH SHERIFF**  
**Amite, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended June 30, 2011, are as follows:

	<b><u>Balance</u></b> <b><u>6/30/10</u></b>	<b><u>Additions</u></b>	<b><u>Deletions</u></b>	<b><u>Balance</u></b> <b><u>6/30/11</u></b>
Governmental activities:				
Capital assets not depreciated:				
Land and land improvements	\$ 65,343	\$ -	\$ -	\$65,343
Other capital assets:				
Buildings	209,899	40,843	-	250,742
Data Processing Equipment	710,232	308,861	-	1,019,093
Law Enforcement Equipment	992,375	101,400	33,380	1,060,395
Office Equipment	333,767	7,650	-	341,417
Vehicles	<u>3,506,309</u>	<u>717,837</u>	<u>311,448</u>	<u>3,912,698</u>
	<u>5,817,925</u>	<u>1,176,591</u>	<u>344,828</u>	<u>6,649,688</u>
Less: Accumulated Depreciation				
Buildings	46,191	8,240	-	54,431
Data Processing Equipment	576,122	126,676	-	702,798
Law Enforcement Equipment	686,595	117,188	28,294	775,489
Office Equipment	123,560	60,005	-	183,565
Vehicles	<u>3,131,311</u>	<u>317,732</u>	<u>309,690</u>	<u>3,139,353</u>
	<u>4,563,779</u>	<u>629,841</u>	<u>337,984</u>	<u>4,855,636</u>
Total governmental activities capital assets, net	<u>\$ 1,254,146</u>	<u>\$ 546,750</u>	<u>\$ 6,844</u>	<u>\$ 1,794,052</u>

For the year ended June 30, 2011, depreciation expense was \$629,841.

**7. LONG-TERM DEBT**

Summary of changes in long-term debt for the year ended June 30, 2011, is as follows:

	<b><u>Balance</u></b> <b><u>07/01/10</u></b>	<b><u>Additions</u></b>	<b><u>Reductions</u></b>	<b><u>Balance</u></b> <b><u>06/30/11</u></b>
<i>Governmental Activities</i>				
Capital lease obligations	\$250,790	387,408	315,145	\$323,053
Total	<u>\$250,790</u>	<u>387,408</u>	<u>315,145</u>	<u>\$323,053</u>

**TANGIPAHOA PARISH SHERIFF**

**Amite, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**

**8. LEASES**

The Sheriff records items under capital leases as assets and obligations in the accompanying financial statements. The Sheriff had three capital leases in 2011.

The following is a summary of future minimum lease payments under the capital leases and the present value of the net minimum lease payments as of June 30, 2011.

Year ending June 30<sup>th</sup>

2012	\$ 158,435
2013	158,436
2014	25,320
2015	450
Future minimum lease payments	\$ 342,641
Less: Amount representing interest	(19,588)
Present value of net minimum lease payments	<u>\$ 323,053</u>

**9. PENSION PLAN**

*Plan Description.* Substantially all employees of the Tangipahoa Parish Sheriff's office are members of the Louisiana Sheriffs Pension and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All sheriffs and all deputies who are found to be physically fit, who earn at least \$800 per month, and who were between the ages of 18 and 50 at the time of original employment are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final-average salary for each year of credited service. The percentage factor to be used for each year of creditable service is 3.33 percent. In any case, the retirement benefit cannot exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established or amended by state statute.

**TANGIPAHOA PARISH SHERIFF**  
**Amite, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**

**9. PENSION PLAN (continued)**

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, P. O. Box 3163, Monroe, Louisiana 71220, or by calling (318)362-3191.

*Funding Policy.* Plan members are required by state statute to contribute 10.00 percent of their annual covered salary and the Tangipahoa Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 12.00 percent of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Tangipahoa Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Tangipahoa Parish Sheriff's contributions to the System, for the years ending June 30, 2011, 2010, and 2009, were \$1,062,343, \$979,094, and \$944,430 respectively.

**10. CHANGES IN AGENCY FUND BALANCES**

A summary of changes in agency fund balances due to taxing bodies and others follows:

	Balance at Beginning of year	Additions	Reductions	Balance at End of Year
Agency funds:				
Civil Fund	\$ 590,371	\$ 3,558,035	\$ 3,592,816	\$ 555,590
Criminal Bond Fund	461,031	2,345,585	2,386,908	419,708
Tax Collector Trust Fund	853,821	45,487,997	45,445,705	896,113
Work Release Inmate	689,230	2,459,917	2,623,717	525,430
Total	\$ 2,594,453	\$ 53,851,534	\$ 54,049,146	\$ 2,396,841

**11. TAXES PAID UNDER PROTEST**

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2011, include \$427,932 of taxes paid under protest. These funds are held pending resolution of the protest and are accounted for in the Tax Collector agency fund.

**12. LITIGATION AND CLAIMS**

At June 30, 2011, the Sheriff was involved in several lawsuits. In the opinion of the Sheriff's legal counsel, the ultimate resolution of these claims would not create a liability to the Sheriff in excess of existing insurance coverage.

**TANGIPAHOA PARISH SHERIFF**  
**Amite, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS**

**13. EXPENDITURES OF THE SHERIFF'S OFFICE PAID BY THE PARISH COUNCIL**

The Sheriff's office is located in the parish courthouse. Expenditures for maintenance and operation of the parish courthouse, as required by state statute, are paid by the Tangipahoa Parish Council and are not included in the accompanying financial statements.

**14. DUE TO/FROM OTHER FUNDS**

During the year, the general fund records receivables for its portion of fines, taxes, bonds or fees collected by these funds and due to others for any advances to these funds. Individual balances due to/from other funds at June 30, 2011 are as follows:

	<u>Due To Other Funds</u>	<u>Due From Other Funds</u>
Governmental:		
General Fund	\$ -	\$ 215,897
DARE	<u>27,774</u>	<u>-</u>
Subtotal- Governmental funds	27,774	215,897
Fiduciary Funds:		
Work Release Inmate	80,968	-
Criminal	43,235	-
Tax Collector	34,118	-
Civil	<u>29,802</u>	<u>-</u>
Subtotal- Fiduciary funds	<u>188,123</u>	<u>-</u>
 TOTAL	 <u>\$ 215,897</u>	 <u>\$ 215,897</u>

**15. RECEIVABLES**

The general fund receivables at June 30, 2011 are as follows:

Class of Receivable

Fees, charges, and commissions	\$ 100,134
Prisoner housing and reimbursements	395,810
Miscellaneous	<u>41,976</u>
	<u>\$ 537,920</u>

**16. SUBSEQUENT EVENTS**

The Sheriff's office has evaluated subsequent events through the date that the financial statements were available to be issued, September 21, 2011, and determined the following event occurred that required disclosure.

On August 9, 2011, the Sheriff's office obtained a \$3 million line of credit from a local bank secured by all revenues accruing to the General Fund. The interest rate on the line of credit was equal to 6.0 percent.

**REQUIRED**  
**SUPPLEMENTAL INFORMATION**



**TANGIPAHOA PARISH SHERIFF****Amite, Louisiana****BUDGETARY COMPARISON SCHEDULE****GENERAL FUND****YEAR ENDED JUNE 30, 2011**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b><u>REVENUES</u></b>			
Ad valorem taxes	\$ 8,102,595	\$ 8,608,530	\$ 8,687,238
Intergovernmental revenues:			
Federal grants	350,000	150,000	404,270
State grants:			
State revenue sharing (net)	600,000	600,000	595,482
State supplemental pay	600,000	690,000	768,623
Other state and local grants	150,000	150,000	19,010
Fees, charges, and commissions for services:			
Fines and forfeitures	770,000	705,000	758,343
Civil and court fees	759,000	1,250,000	1,408,592
Prisoner housing and reimbursements	5,100,000	4,525,000	5,444,958
Commissions from tax collector	100,000	135,000	209,029
Miscellaneous commissions	120,000	75,000	74,704
Contracted Services	750,000	1,060,000	633,993
Use of money and property :			
Interest	40,000	32,000	18,988
Seized assets	45,000	60,000	61,681
Miscellaneous	150,000	275,000	78,924
Total Revenues	<u>17,636,595</u>	<u>18,315,530</u>	<u>19,163,835</u>
<b><u>EXPENDITURES</u></b>			
Public safety:			
Personal services and related benefits	12,220,000	12,425,000	12,353,057
Operating services	4,464,000	4,571,000	4,854,794
Capital outlay	425,000	965,000	1,174,468
Debt service payments	20,000	7,000	7,932
Capital lease expense	265,000	307,000	315,145
Total Expenditures	<u>17,394,000</u>	<u>18,275,000</u>	<u>18,705,396</u>
EXCESS OF REVENUES OVER EXPENDITURES	242,595	40,530	458,439
<b><u>OTHER FINANCING SOURCES</u></b>			
Proceeds from capital leases	300,000	400,000	387,408
Proceeds from sale of capital assets	-	-	51,047
Total other financing sources	300,000	400,000	438,455
NET CHANGE IN FUND BALANCE	542,595	440,530	896,894
FUND BALANCE AT BEGINNING OF YEAR	<u>6,085,266</u>	<u>6,085,266</u>	<u>6,085,266</u>
FUND BALANCE AT END OF YEAR	<u>\$ 6,627,861</u>	<u>\$ 6,525,796</u>	<u>\$ 6,982,160</u>

**INDIVIDUAL FINANCIAL STATEMENTS**

**OF**

**AGENCY FUNDS**

**TANGIPAHOA PARISH SHERIFF**

**Amite, Louisiana**

**GENERAL DESCRIPTIONS**

**AGENCY FUNDS**

**June 30, 2011**

**CIVIL BOND FUND**

The Civil Fund accounts for funds held in civil suits, sheriff's sales, and garnishments and payments of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

**CRIMINAL BOND FUND**

The Criminal Bond Fund accounts for the collection of bonds, fines, and costs and payment of these collections to the Sheriff's General Fund and others in accordance with applicable laws.

**TAX COLLECTOR FUND**

Article V, Section 27 of the Louisiana Constitution of 1974 provides that the Sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies. Hotel and motel transactions also run through the tax collector fund.

**WORK RELEASE INMATE FUND**

The Work Release Inmate Fund accounts for the deposits made by, and for, inmates to their individual accounts and the appropriate disbursements to these inmates for payroll checks and withholdings of inmate expenses.

**TANGIPAHOA PARISH SHERIFF**  
**Amite, Louisiana**

**AGENCY FUNDS**  
**SCHEDULE OF CHANGES IN BALANCES DUE TO TAXING BODIES AND OTHERS**  
**YEAR ENDED JUNE 30, 2011**

	<u>Civil Bond</u>	<u>Criminal Bond</u>	<u>Tax Collector</u>	<u>Work Release Inmate</u>	<u>Total</u>
<b><u>BALANCES AT BEGINNING OF YEAR</u></b>	<u>\$ 590,371</u>	<u>\$ 461,031</u>	<u>\$ 853,821</u>	<u>\$ 689,230</u>	<u>\$2,594,453</u>
<b><u>ADDITIONS</u></b>					
Deposits:					
Sheriff's sales and garnishments	3,558,035	-	-	-	\$3,558,035
Fines and costs	-	2,345,585	-	-	2,345,585
Receipts from inmates	-	-	-	2,459,917	2,459,917
Taxes, fees, etc. paid to tax collector	-	-	45,487,997	-	45,487,997
Total additions	<u>3,558,035</u>	<u>2,345,585</u>	<u>45,487,997</u>	<u>2,459,917</u>	<u>53,851,534</u>
<b><u>REDUCTIONS</u></b>					
Taxes, fees, etc. distributed to taxing bodies and others	-	-	45,445,705	-	45,445,705
Distribution to inmates	-	-	-	2,623,717	2,623,717
Deposits settled	<u>3,592,816</u>	<u>2,386,908</u>	<u>-</u>	<u>-</u>	<u>5,979,724</u>
Total reductions	<u>3,592,816</u>	<u>2,386,908</u>	<u>45,445,705</u>	<u>2,623,717</u>	<u>54,049,146</u>
<b><u>BALANCES AT END OF YEAR</u></b>	<u>\$ 555,590</u>	<u>\$ 419,708</u>	<u>\$ 896,113</u>	<u>\$ 525,430</u>	<u>\$2,396,841</u>

The accompanying notes are an integral part of this statement.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Honorable Daniel Edwards  
Amite, Louisiana

We have audited the financial statements of the governmental activities and each major fund of the Tangipahoa Parish Sheriff's Office as of and for the year ended June 30, 2011, which collectively comprise the Tangipahoa Parish Sheriff's Office basic financial statements and have issued our report thereon dated September 21, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Tangipahoa Parish Sheriff's Office's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Tangipahoa Parish Sheriff's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Tangipahoa Parish Sheriff's internal control over financial reporting.

*A deficiency in internal control exists* when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration on internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other matters**

As a part of obtaining reasonable assurance about whether the Tangipahoa Parish Sheriff's Office financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Tangipahoa Parish Sheriff, management, and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Prothman & Nettunick*

September 21, 2011



**TANGIPAHOA PARISH SHERIFF**  
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**  
**June 30, 2011**

A. FINDINGS – FINANCIAL STATEMENT AUDIT

1. None

B. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

1. None



## **SUPPLEMENTARY INFORMATION**

**TANGIPAHOA PARISH SHERIFF**  
**AMITE, LOUISIANA**

**SCHEDULE OF CASH ON HAND IN TAX COLLECTOR ACCOUNT**

**June 30, 2011**

Cash and cash equivalents

**\$ 833,807**

**TANGIPAHOA PARISH SHERIFF**  
**AMITE, LOUISIANA**

**SCHEDULE OF TAXES COLLECTED**  
**June 30, 2011**

Taxing Authority	Taxes Collected
Tangipahoa Parish Assessor	2,267,765
Downtown Development, City of Hammond	167,468
Gravity Drainage District #1	3,936,142
Gravity Drainage District # 4	190,325
Gravity Drainage District #5	67,015
Fire Protection District #1	523,188
Tangipahoa Parish Council	10,561,350
Florida Parish Juvenile Justice	1,456,824
LA Agriculture & Forestry Commission	18,935
Tangipahoa Parish School Board	5,401,004
Independence Recreation District	218,404
Louisiana Tax Commission	5,907
Tangipahoa Parish Sheriff	8,648,568
Tangipahoa Parish Library	2,821,373
Mosquito Abatement	1,933,221
Ponchatoula Recreation District	1,448,198
	<hr/>
	<b>\$ 39,665,686</b>

**TANGIPAHOA PARISH SHERIFF**  
**AMITE, LOUISIANA**

**SCHEDULE OF UNCOLLECTED TAXES**

**June 30, 2011**

<b><u>Taxing Authority</u></b>	<b><u>Uncollected taxes</u></b>
Tangipahoa Parish Assessor	\$ 8,955
Gravity Drainage District #1	13,308
Gravity Drainage District #4	234
Gravity Drainage District #5	2,207
Fire Protection District #1	702
Tangipahoa Parish Council	29,691
Florida Parish Juvenile Justice	5,753
Independence Recreation District	978
Louisiana Tax Commission	43
Tangipahoa Parish Sheriff	34,152
Mosquito Abatement	6,324
Ponchatoula Recreation District	2,736
Tangipahoa Parish School Board	22,683
Tangipahoa Parish Library	11,141
	<hr/>
	<b>\$ 138,907</b>

The above amounts represent taxes assessed and uncollected by the specified taxing authority. Failure to collect these taxes are due to bankruptcies or the fact that the property is considered movable, and therefore, it can not be sold at property tax sale.

STATE OF LOUISIANA, PARISH OF TANGIPAHOA

AFFIDAVIT

Daniel H. Edwards, Sheriff of Tangipahoa Parish

BEFORE ME, the undersigned authority, personally came and appeared, Daniel H. Edwards, the sheriff of Tangipahoa Parish, State of Louisiana, who after being duly sworn, deposed and said:

The following information is true and correct:

\$833,807.44 is the amount of cash on hand and in the tax collector account on June 30, 2011.

He further deposed and said:

All itemized statements of the amounts of taxes collected for tax year 2011, by taxing authority, are true and correct.

All itemized statements of all taxes assessed and uncollected, which indicate the reasons for the failure to collect, by taxing authority, are true and correct.



Signature

Sheriff of Tangipahoa Parish

SWORN to and subscribed before me, Notary, this 6th day of September, 2011, in my office in Hammond, Louisiana.

Terry Y. Pisciotto (Signature)  
Terry Y. Pisciotto (Print), # 010439  
Commission expires at death (Commission)